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USSR RETAIL TRADE IN FIRST HALF OF 1955

[Comment: This report gives information on retail trade in the USSR in the first half of 1955, extracted from Soviet newspapers and periodicals. The following subjects are covered: (1) fulfillment of the retail commodity turnover plan for the first half of 1955 by the Ministry of Trade USSR; (2) fulfillment of the retail commodity turnover plan by consumer cooperatives; (3) problems in commission trade; and (4) reciprocal trade.

Numbers in parentheses refer to appended sources.]

I. FULFILLMENT OF RETAIL COMMODITY TURNOVER PLAN
BY MINISTRY OF TRADE USSR

During the first half of 1955, 8 percent more goods were sold in state and cooperative trade (in comparable prices) than in the first half 1954. The retail commodity turnover plan of state and cooperative trade for the first half year was fulfilled.

In the union republics, commodity turnover plan fulfillment was as follows:

	<u>Minister of Trade</u>	<u>Percent of Plan Fulfilled (including additional goals)</u>
Latvian SSR	Kukayn	103.2
Moldavian SSR	Belyayev	103.2
Kazakh SSR	Dzhangozin	102.1
Armenian SSR	Charchyan	101.7
Tadzhik SSR	Sharipov	101.1
Lithuanian SSR	Mikutis	100.8
Turkmen SSR	Orazov	100.4
Estonian SSR	Vester	100.3
RSFSR	Lukashev	100.0
Belorussian SSR	Kotovodov	99.9
Uzbek SSR	Ziyamov	99.5
Kirgiz SSR	Chikeyev	99.0
Georgian SSR	Sabanadze	98.7
Azerbaijdzhan SSR	Akhundov	98.5
Karelo-Finnish SSR	Mazo	98.5
Ukrainian SSR	Sakhnovskiy	98.2

In the RSFSR, the retail commodity turnover plan was completed with great success in Moscow, Leningrad, Sverdlovsk, Molotov, Sochi, Altayskiy Kray, Komi SSR, and Murmanskaya, Tomskaya, Kurganskaya, Kirovskaya, Astrakhanskaya, Omskaya, and Kemerovskaya oblasts.

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However, the following oblasts failed to meet the commodity turnover plan:

	<u>Chief of Trade Administration</u>	<u>Percent of plan fulfilled (including additional goals)</u>
Kalininskaya	Yudin	94.8
Rostovskaya	Burmenskiy	95.3
Ryazanskaya	Yefimov	95.5
Stalingradskaya	Sklyarov	95.6
Ivanovskaya	Lebedev	95.9
Yaroslavskaya	Kiselev	96.0
Vladimirskaia	Zelenkov	96.1
Novgorodskaya	Yefimov (deputy)	96.4

The following failed to complete the retail commodity turnover plan: main administrations of workers' supply (Glavurs) of the Ministry of Ferrous Metallurgy (chief, Komarov); Ministry of Nonferrous Metallurgy (chief, Podkladkin); Ministry of the Building Materials Industry USSR (chief, Zharikhin); Ministry of Construction of Enterprises of the Metallurgical and Chemical Industry (chief, Yesakov); and Main Administration of Workers' Supply Trading Organization (Glavurstorg) of the Ministry of River Transport (chief, Yankovskiy). Nonfulfillment of the commodity turnover plan by the workers' supply divisions was in part caused by an insufficient supply of commodities from decentralized sources, and inadequate development of the auxiliary enterprises.

Thus, the Main Administration of Workers' Supply of the Ministry of Ferrous Metallurgy USSR completed the first-quarter 1955 plan for the supply of meat to trade and public dining enterprises from auxiliary enterprises only 95 percent; and the Main Administration of Workers' Supply of the Ministry of Nonferrous Metallurgy USSR, 47 percent. The Main Administration of Workers' Supply of the Ministry of Construction of Enterprises of the Metallurgical and Chemical Industry completed the first-quarter plan for the supply of eggs from auxiliary enterprises 78 percent, and the Main Administration of Workers' Supply Trading Organization (Glavurstorg) of the Ministry of the River Fleet, 62 percent.

In spite of great potentialities, auxiliary enterprises of the Main Administration of Workers' Supply (Glavurs) of the Ministry of the Coal Industry USSR (chief, Yagovkin) are operating unsatisfactorily. For example, in the first quarter of 1955 they completed the plan for the supply of meat for trade and public dining only 45 percent; the plan for milk supply, 64 percent; and the plan for egg supply, 67 percent.

Organizations of union subordination of the Ministry of Trade USSR fulfilled the retail commodity turnover plan in the first half of 1955 104.2 percent, including:

	<u>Chief of Main Administration</u>	<u>Percent of Plan Fulfilled (including additional goals)</u>
Main Administration for Production and Sale of Jewelry (Glavyuvelirtorg)	Selivankin	104.4
Main Administration for Trade in Timber and Building Materials (Glavlesstroytorg)	Andreyev	110.8

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Main Administration of
Railway Restaurants
(Glavdorrestoran)

Ivanov

101.6

All-Union Mail Order
Office, Ministry of
Trade USSR
(V/K "Soyuzposyltorg")

Bessarabov

102.5

In the first half 1955, the sale of basic food commodities increased, as shown below (sales in percent of 1954 first half):

Meat and meat products	106
Fish and fish products	120
Vegetable oil, margarine, rendered lard	115
Cheese	107
Milk and dairy products	112
Confectionery goods	105
Eggs	113

The sale of the following manufactured goods increased considerably in the first half 1955 (sales in percent of 1954 first half):

Cotton textiles	110
Silk textiles	110
Clothing	118
Knitwear	113
Hosiery	115
Footwear	106
Household soap	123
Watches and clocks	144
Sewing machines	117
Furniture	117
Vacuum cleaners	124
Television sets	approximately 145
Radio receiving sets	122
Photographic equipment	148
Bicycles	120
Motorcycles	116
Passenger cars	130
Refrigerators	129
Washing machines	(almost 4 times)

In comparison with the first half of 1954, the sale of production goods (tovarov proizvodstvennogo naznacheniya) increased considerably, as shown below (sales in percent of 1954 first half):

Industrial	1.5 times
Slate	118
Roofing tin	118
Cement	139
Window glass	110

In areas of the virgin and long-fallow lands, retail commodity turnover during the first-half 1955 increased considerably more than the average for the USSR.

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In the first half of 1955, wholesale trade organizations improved their operations, planned their commodity inventories more systematically, required industry to provide greater assortment and higher quality of commodities, and strengthened their liaison with retail trade.

However, several main administrations of wholesale trade and their local offices and bases still fail to strive sufficiently for uniform commodity deliveries to trading organizations, permit inadequate commodity deliveries to some rayons and excessive deliveries to others as against the plan, and fail to maintain control over commodity inventories.

For example, in the first quarter of 1955, Glavtorgodezhda (Main Administration of Wholesale Trade in Clothing, chief, Ukhanov) supplied the trading organizations of Saratovskaya Oblast with 35 percent more knitwear than planned, and Krasnoyarsk City trading organizations with 19 percent more. At the same time, it supplied trading organizations of Dagestanskaya ASSR with 24 percent less than the planned stocks of knitwear, and trading organizations of Tambovskaya Oblast with 15 percent less.

The distribution of commodities to individual cities and rayons has been uneven. As of 1 June 1955, the following amounts of household soap were available in city trading organizations: in Stalingradskaya Oblast, a 89-day supply; in Ul'yanovskaya Oblast, a 75-day supply; and Ryazanskaya Oblast, a 7-day supply. On the same day there was a supply of leather footwear in Yaroslavskaya Oblast sufficient for 143 days; in Vladimirskaia Oblast, 118 days; and in Latvian SSR, 28 days.

A number of union republics fail to exercise the right extended to them by the Decree of the Council of Ministers of 4 May 1955 to redistribute marketable commodity inventories between urban and rural areas according to popular demand, existing surplus stocks, and the rate of sale of these commodities. This right affords a more correct allocation of commodity resources and does not permit surplus goods to accumulate in urban or rural areas, but makes it possible for them to be included promptly in commodity turnover.

The lack of uniformity in the commodity turnover plan fulfillment is a serious handicap in the work of trading organizations. Some stores exceed the plans, others lag behind considerably because of poor operational supervision of the retail trade network by the directors of trading organizations, and oblast and city trade administrations.

Along with the increased sale of commodities in state and cooperative trade, the sale of agricultural products is being stepped up in city kolkhoz markets. According to data compiled by 251 cities, the sale of products in kolkhoz markets was as follows (January - May 1955 sales in percent of corresponding 1954 period):

Meat, poultry, lard	102.9
Milk	116.6
Potatoes	101.4
Vegetables	115.1
Flour	105.5

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In the first half of 1955 the sale of commodities through the commission trade network of consumer cooperatives increased considerably. However, this type of trade has not yet developed everywhere on a sufficiently large scale. The assortment of agricultural products sold on a commission basis is limited. There are cases when cooperative trading organizations purchase products directly at the city markets, instead of transporting them from the interior. Cooperatives are offered little aid in transport.

Insufficient attention is being given to expanding the production of consumer goods in a number of republics and oblasts. The proportion of goods produced by local industry and industrial cooperatives in retail commodity turnover during the first half of 1955 amounted to only 5.4 percent in Tadzhik SSR; 5.7 percent in Kazakh SSR; 6.6 percent in Karelo-Finnish SSR; 6.6 percent in Turkmen SSR; 26.5 percent in Moldavian SSR; 20.3 percent in Latvian SSR; and 16.7 percent in Armenian SSR.

Even at the present time [July 1955], clothes-pins, clothes hangers, toys, glue, skis, and shovels are shipped into Khabarovskiy Kray. The Uzbek SSR does not produce gardening knives, forks, watering cans, rakes, corkscrews, and kerosene lamps. Although there was a surplus of raw material in Karelo-Finnish SSR, toys, rulers, and hard chairs were not being manufactured. Insufficient quantities of children's furniture, bookstands, and kitchen stools are being manufactured.

Recently [July 1955], self-service stores were put into operation in a number of cities. The cafeteria (samoobsluzhivaniye) method has been widely used in public dining enterprises, allowing for a saving of time spent on dining, and permitting an increase in the capacity of dining rooms. There are more than 4,000 cafeteria-style dining rooms in state trade.

In the first half of 1955, additional work was carried out in the technical equipment of trade enterprises. During this time, 6,515 refrigerator compressors were manufactured by plants of the Main Administration of Trade Equipment (Glavtorgoborudovaniye), 1,012 refrigeration compartments, 3,077 refrigeration counters and windows, 3,112 refrigeration shelves, 1,800 cash registers, 6,182 mechanical meat choppers, 4,271 continuous operation electric hot water boilers; 1,554 pieces of heating equipment (electric hot plates, electric cookers), 304 electric kettles, 13,576 carts, and other retail trade equipment.

In the second half of 1955, supervisors of trading organizations and trade workers must take measures for the unconditional fulfillment of the commodity turnover plan and the additional tasks assigned to each organization and enterprise for the maximum utilization of additional commodity resources in commodity turnover, a more complete utilization of existing local resources, and development of auxiliary enterprises.

Utilization in commodity turnover of above-norm surpluses of various commodities still on hand in some stores, warehouses, and trade bases is an important task. It is necessary and expedient to reallocate available above-norm stocks of individual commodities among oblasts and trading organizations.

It is also necessary to demand more prompt and uniform commodity deliveries from industry and other suppliers, as well as improved assortment and quality of goods, in conjunction with the growing public demand. (1)

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II. RETAIL COMMODITY TURNOVER PLAN FULFILLMENT BY CONSUMER COOPERATIVES

In the first half of 1955, 12.4 percent more food and consumer goods were sold to the rural population and kolkhozes than in the first half of 1954, and the total commodity turnover including commission trade increased 13.5 percent (in comparable prices).

The retail commodity turnover plan in the first half of 1955 was fulfilled 101 percent, including additional goals, 98.9 percent.

Consumer unions of the union republics completed the commodity turnover plan as follows:

	<u>Chairman of Administration</u>	<u>Percent of Plan Fulfilled (including additional goals)</u>
Latvian SSR	Mukke	104.7
Moldavian SSR	Korotnyan	102.7
Kazakh SSR	Tsarev	101.9
Lithuanian SSR	Murauskas	101.7
Estonian SSR	Vayno	101.7
Armenian SSR	Vartanyan	101.4
Belorussian SSR	Akhremchik	100.0
Tadzhik SSR	Ashurov	99.9
Turkmen SSR	Nepesov	99.3
Uzbek SSR	Yunusov	99.2
Georgian SSR	Narsiya	99.1
Azerbaydzhan SSR	Babayev	99.1
RSFSR	Lyubimov	98.3
Ukrainian SSR	Malikov	98.3
Kirgiz SSR	Petrov	97.4
Karelo-Finnish SSR	Lipatov	96.6

In the RSFSR consumer unions, the retail commodity turnover plan was completed with great success by the Kemerovskiy, Tomskiy, Chelyabinskii, Altayskiy, and Kurganskiy consumer unions. However, a number of consumer unions lagged considerably in completing the retail commodity turnover plan:

	<u>Chairman of Administration</u>	<u>Percent of Plan Fulfilled (including additional goals)</u>
Yaroslavskiy	Dunayev	91.8
Vologodskiy	Kutsentov	92.4
Tul'skiy	Golovin, acting chairman	92.5
Ryazanskii	Korotkin	92.7
Kalininskiy	Suvorov	93.1
Mordovskiy	Astaf'yev	93.6
Orlovskiy	Makagonov	93.8
Belgorodskiy	Zhukov	93.9
Kuybyshevskiy	Aksenov	93.9
Vladimirskiy	Pimenov	94.0

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In the first half of 1955, the sale of basic manufactured goods increased, as shown below (sales in percent of the first half of 1954):

Cotton textiles	115
Silk textiles	123
Sewn goods (clothing)	125
Knitwear	126
Hosiery	115
Footwear	121
Household soap	130
Toilet soap	136
Perfumery	130

As shown below, the turnover of cultural and durable goods increased considerably during the first half of 1955 (turnover in percent of 1954 first half):

Sewing machines	181
Clocks and watches	193
Bicycles and motorcycles	172
Furniture	131
Metal beds	134

Trade in production and household goods (tovary proizvodstvennogo khozyaystvennogo naznacheniya) increased in comparison with the first half 1954, chiefly through reciprocal sale in the procurement and purchase of agricultural products and raw materials. This trade was as follows (in percent of 1954 first half):

Industrial timber and lumber	172
Cement	153
Shale	127
Portable electric power stations	(almost twofold)
Rolled metal	124

In the first half of 1955, the turnover in the sale of agricultural products accepted on a commission basis from kolkhozes and kolkhoz farmers increased almost threefold.

However, many consumer cooperative organizations are still not interested in accepting agricultural products on a commission basis, and several organizations are failing to fulfill the plan for commission trade established for them.

As formerly, there is considerable lack of uniformity in the commodity turnover plan fulfillment by consumer cooperative enterprises and organizations.

In the first quarter 1955, almost half of the consumer societies and trade and public dining enterprises failed to meet the commodity turnover plan.

Data for the first half of July 1955 indicated unsatisfactory progress toward the fulfillment of the commodity turnover plan of the third quarter.

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Failure to complete the commodity turnover plan is due primarily to outstanding shortcomings in trade organization -- elusive maneuvering in commodity resources, accumulation of surplus inventories in wholesale organizations, poor organization of commodity deliveries to the retail network, trade stoppages in certain commodities which are, however, available in the warehouses of cooperative organizations, and long shutdowns of the trade network for various reasons.

One of the reasons for the trade lag is the delay in the sale of production materials to kolkhozes, and the unwarranted retention of many consumer goods earmarked for reciprocal trade in local areas during the purchase of agricultural products.

In accepting and selecting goods at wholesale bases, many consumer cooperative organizations fail to take into account the existing inventories, permit commodities to enter the trade network which are not in demand, and fail to utilize the right to refuse payment on goods not meeting specifications.

The administration of the Central Union has obligated the chairmen of administrations of consumer unions to eliminate the causes for the unfulfilled commodity turnover plan in each rayon, consumer society, and store or shop, and to introduce the necessary readjustments in the commodity delivery plans, as well as to extend practical aid to lagging organizations so that the nonfulfillment of this plan by individual organizations and enterprises will be eliminated in the third quarter, which will be the decisive one for fulfillment of the over-all 1955 commodity turnover plan. (2)

III. PROBLEMS IN COMMISSION TRADE

In 1954, commodity turnover in agricultural products sold on a commission basis in the system of consumer cooperatives increased as a whole approximately 2,240 million rubles, which amounted to more than 4 percent of the total sales volume of kolkhoz markets in the USSR. In individual republics, commission trade turnover amounted to 15-20 percent of the total kolkhoz market turnover.

Quarterly commission trade turnover in 1954 steadily increased: in the first quarter of 1954, it amounted to approximately 300 million rubles; in the second quarter, 500 million rubles; in the third quarter, 600 million rubles; and in the fourth quarter, 840 million rubles.

Commission trade turnover in the first quarter of 1955 amounted to more than 900 million rubles, or about 180 percent of the plan.

Commission trade as operated at the present time by consumer cooperatives differs from state, cooperative or kolkhoz trade. In commission trade, kolkhozes and kolkhoz farmers retain ownership of their products; they do not sell them to consumer cooperatives, but only utilize the services of the latter as middlemen in the sale of agricultural products to the urban population, paying a commission fee to the consumer cooperative organizations. Receipts from the sale of agricultural products sold on commission to consumer cooperatives accrue to the kolkhoz treasury and to kolkhoz farmers directly.

Only the commission fee remains in the treasury of the consumer cooperatives, it is used chiefly to cover expenditures connected with the receipt, transport, and sale of products accepted on a commission basis.

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Thus, the commission trade turnover for the Central Union primarily indicates the volume of services extended by consumer cooperative organizations to kolkhozes and kolkhoz farmers in middleman operations.

The receipts of consumer cooperatives from the sale of agricultural products accepted on a commission basis, as well as the incomes from the sale of goods at kolkhoz markets, characterize the redistribution of money income between the urban and rural population. For this reason, the amount of receipts from commission trade is not taken into account, in determining the purchasing fund of the USSR population, and, does not exert a direct influence on the volume of retail commodity turnover of state and cooperative trade established by the plan.

Price formation in commission trade by its very nature differs sharply from price formation in state and cooperative trade. Retail prices on agricultural products accepted on a commission basis by a consumer cooperative organization are set according to an agreement with kolkhozes or kolkhoz farmers. As a rule, these prices are below kolkhoz market prices, but their level, as well as the level of kolkhoz prices, is subject to constant fluctuations depending on varying market conditions, while in state and cooperative trade, goods are sold at fixed uniform state retail prices.

It is apparent that the level of prices on goods sold by consumer cooperatives on a commission basis is derived from and is entirely dependent on the level of prices in kolkhoz trade; but at the same time, in certain cases, commission trade prices have an adverse economic effect on the level of prices on the kolkhoz market, i.e., depressing them.

Thus, the peculiarities of commission trade, the nature of price formation and the level of prices on products sold by consumer cooperatives on a commission basis, as well as the relation of commission trade to the cash plan of Gosbank USSR and purchasing funds of the USSR population, make it impossible for commodity turnover in commission trade of the Central Union to be considered on the same footing with the turnover of state and cooperative trade and be included in it. Such turnover may be classified as part of the kolkhoz market turnover originating from the consumer cooperatives.

The system of receipt, delivery from the producer, and sale of surplus agricultural products of kolkhozes and kolkhoz farmers by consumer cooperatives on a commission basis brings part of the kolkhoz market turnover into an organized channel and thereby sets it apart from the usual kolkhoz trade turnover.

In the development of commission trade, old methods of receipt, supply, and sale of agricultural products on a commission basis will be perfected, and new relationships between consumer cooperatives and kolkhozes will arise.

The current practice of planning commission turnover of the Central Union suffers from basic shortcomings.

In 1955, the commission trade turnover of consumer cooperatives was included in the over-all plan of retail commodity turnover with a separate notation "including commission trade turnover."

This system of planning raises serious objections. The determination of commodity turnover volume in commission trade, especially in republics, krais, and oblasts, entails considerable difficulties, which arise from the still inadequate knowledge of all the possibilities inherent in the development of this new type of trade. It is not surprising that there were many shortcomings in the commodity turnover plans for commission trade in 1954 and 1955. For example, the initial goal for commission trade in agricultural products for the Central Union set for 1954 was exceeded almost four times.

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It is certain, however, that the errors in planning commission trade turnover will be decreased as the development of commission trade potential, and a more accurate analysis of the resources of agricultural products progresses.

Including the commission trade turnover of agricultural products in the total commodity turnover plan can have a negative influence on the fulfillment of the Gosbank cash plan, and thereby on monetary circulation.

In a number of cases the practice of setting up additional goals for the total volume of retail cooperative commodity turnover and the commission trade turnover, has the same negative results.

For example, it was decided to increase the commodity turnover plan in commission trade in 1955 for the Ukrainian Republic Consumer Union by 100 million rubles as against the plan established by the Central Union. In addition, the total volume of retail commodity turnover of Ukrainian consumer cooperatives remained unchanged. As a result, the increased commodity turnover plan in commission trade under the presently operating system of including it in the over-all retail commodity turnover plan automatically led to a reduction in the basic plan for retail trade of the consumer cooperatives. Because of this, the plan of bringing trade receipts into the banks of Gosbank was reduced by 100 million rubles.

The setting of additional goals for commodity turnover of the Central Union was determined by the need of bringing additional trade receipts into the Gosbank treasury. However, under the present practice of planning the commodity turnover of commission trade, individual supervisors of consumer unions consider it possible to carry out this additional task equally through basic retail commodity turnover and commission trade turnover. At the same time, the fulfillment of an additional goal through commission trade turnover does not actually provide the Gosbank treasury with trade earnings receipts, thereby failing to achieve the basic purpose behind the establishment of additional goals.

Thus, for example, the Ukrainian Republic Consumer Union completed the 1955 first-quarter over-all retail commodity turnover plan 100.4 percent, including 239 percent for commission trade, and the basic commodity turnover plan, minus commission sales, only 98 percent.

The Georgian Consumer Union during the same period fulfilled the over-all commodity turnover plan 102.3 percent, including 238 percent for commission trade, and the basic plan minus commission sale, 98.3 percent.

Thus, in including the commission trade turnover in the over-all retail commodity turnover plan of cooperative trade, consumer cooperative organizations are able to complete the unfulfilled part of the basic commodity turnover plan, on which the cash receipts of Gosbank depend, by increasing commission trade turnover. This upsets the relationship between the income and expenditure of cash funds in the Gosbank cash plan, which has an adverse effect on monetary circulation.

As is known, the total retail commodity turnover volume of state and cooperative trade is determined by the size of the consumer purchasing fund and the planned sale of goods to enterprises, institutions, and organizations (including kolkhozes) from the retail trade network.

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Neither the commodity turnover in the commission sale of agricultural products nor the total commodity turnover of kolkhoz markets is determined directly by the purchasing funds of the USSR population as a whole, but is considered only in determining the extent of redistribution of incomes between the rural and urban population. Commodity resources sold on a commission basis are also unaccounted for in the commodity supply plan of retail state and cooperative trade.

In this connection, whenever commission trade turnover is included with the total retail commodity turnover of state and cooperative trade, it must be excluded from accounting when correlation of the latter with commodity resources is made.

Finally, considering that price levels in commission trade are above the retail price levels of state and cooperative trade, and that they are subject to constant fluctuations, a comparison of commodity turnover by years makes it necessary to utilize special price indexes on goods sold by the Central Union on a Commission basis, which entails additional, unwarranted complications.

Thus, in all the estimates of retail commodity turnover related to the purchasing funds of the population, the cash plan, and commodity supply, commodity turnover in the commission sale of agricultural products must be excluded from the over-all commodity turnover of state and cooperative trade. (3)

IV. RECIPROCAL TRADE

In the state purchase of meat, poultry, milk (cow's and sheep's), creamery butter, melted butter, "brynza" cheese, eggs, and grain, consumer cooperative organizations are engaging in a system of reciprocal (vstrechnoy) sale of production and household goods, consumer goods, and fodder concentrates to kolkhozes, kolkhoz farmers, workers, and employees.

For each 100 rubles' worth of agricultural products sold, kolkhozes are permitted to buy from the consumer cooperatives 100 rubles' worth of manufactured goods at retail prices, 50 rubles of which are to be used for the purchase of production and household goods, and 50 rubles for the purchase of consumer goods, at the discretion of the kolkhozes.

Individual kolkhoz farmers, workers, and employees fulfilling obligations for the supply of agricultural products to the state on schedule may buy production and consumer goods at terms established for the kolkhozes.

For each 100 rubles' worth of grain sold by kolkhozes in the system of state purchases, consumers' cooperative organizations may sell 50 rubles' worth of production and household goods at retail prices.

Household and consumer goods are sold to kolkhoz farmers and other private individuals supplying grain through the system of state purchases under the terms established for the kolkhozes.

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Sale of Motor Vehicles, Equipment, Building Materials, and Production Goods

The sale to kolkhozes of trucks and automobiles, trailers, tires, mobile generating units, electric motors, locomobiles, steam power installations, building and roofing materials, various equipment and other production and household goods is conducted according to contracts concluded with procurement organizations of the Ministry of Meat and Dairy Products Industry USSR, the Ministry of Procurement, the Ministry of Food Products Industry USSR, and with consumer cooperative organizations, signed by rayon consumer unions or rayon cooperatives and kolkhozes.

For one truck, the norms of sale by kolkhozes of meat, poultry, milk and grain have been established in the system of state purchases by groups of oblasts, krais, autonomous and union republics, according to instructions of the Central Union of 2 March 1955.

In the system of state purchases, one truck is sold to kolkhozes upon the sale by them of the following:

	<u>I Group of Rayons</u>	<u>II Group of Rayons</u>	<u>III Group of Rayons</u>
Meat and poultry (live weight, tons)	15	20	25
Milk and butter in terms of milk (tons)	45	60	75
Grain (tons)	50	100	150

Advantageous terms are established for kolkhozes selling animal products (meat, poultry, milk, butter, eggs) at certain periods of the year. The norms of sale allowing them to purchase one truck are calculated at the rate of $1\frac{1}{2}$ to one. For example, in the sale of meat, and poultry in January-July, kolkhozes were given credit for $1\frac{1}{2}$ kilograms for each kilogram actually sold, and in the sale of milk and butter in October-April, $1\frac{1}{2}$ kilograms for each kilogram.

In cases when a kolkhoz wishes to obtain a truck, but cannot supply any one type of product in the amount established by the norms, it has the right to substitute one type of product for another, in percent of the established norms. Animal products and grain cannot be substituted for potatoes, vegetables, and onions. For example, a kolkhoz located in Voronezhskaya Oblast which has contracted with procurement organizations to sell 50 percent of the norm for meat, 20 percent of the norm for milk, 20 percent of the norm for grain, and 10 percent of the norm for eggs must supply procurement organizations with the following amounts of products: liveweight meat, 7.5 tons if supplied in August, and 5 tons, if supplied in January; milk, 9 and 6 tons respectively, grain, 20 and 20 tons; and eggs, 10,000 and 6,600 units.

As of 1 January 1955, kolkhozes located in suburban rayons and raw material zones of alcohol, starch and syrup, vegetable drying, and canning plants, and selling potatoes and vegetables to procurement organizations in the state purchase system, may buy one motor vehicle for 200 tons of potatoes, or 50 tons of onions, or 150 tons of other vegetables.

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For the difference in the cost of agricultural products supplied and the cost of a truck, the kolkhoz is permitted to buy manufactured goods in the amount of the difference. For example, a kolkhoz in the first group of rayons sold 75,000 rubles' worth of meat. According to the system in operation, it has the right to obtain 37,500 rubles' worth of production and household goods, and the same amount of consumer goods. The cost of a truck is included in the estimate of production and household goods.

Sale of Fodder Concentrates

Instead of production and household goods, consumer cooperatives may sell fodder concentrates (oil cake, bran, all-mash plant) to kolkhozes, kolkhoz farmers, workers and employees at retail prices in the following amounts:

Kolkhozes supplying hogs and poultry in the state purchase system receive 3.5 metric quintals of fodder concentrates for one metric quintal of live-weight production.

Kolkhozes, kolkhoz farmers, workers, and employees in rayons supplying whole milk to the cities of Moscow, Leningrad, the capitals of union and autonomous republics, oblast and kray centers, health resorts of the Northern Caucasus, southern shores of the Crimea, Feodosiya, Yevpatoriya, and Tskhaltubo, as well as to the cities Magnitogorsk, Nizhniy Tagil, Sevastopol; cities of Moskovskaya Oblast -- Stalinogorsk, Elektrostal', Ncginsk, Orekhovo-Zuevo, Balashikha, Krasnogorsk, Kuntsevo, Mytishchi, and Khimki -- are entitled to receive one kilogram of fodder concentrates for each liter of milk sold in September-April, and 800 grams of fodder concentrates for each liter sold in May-August. For a liter of milk sold by kolkhoz farmers, workers, and employees in September-April, 500 grams of fodder concentrates, and 400 grams may be received in May-August.

In rayons supplying whole milk to the cities and industrial centers of Alapayevsk, Serov, Karpinsk, Krasnotur'insk, Severoural'sk, Kamensk-Ural'skiy, Pervoural'sk, Verkhnyaya Salda, and Kirovgrad of Sverdlovskaya Oblast; Berezniki, Solikamsk, Lys'va, Chusovoy, Krasnokamsk, Kizel, Gubakha, Kospash, Gremyachinsk, and Ugleural'sk of Molotovskaya Oblast, Zlatoust, Kopeysk, and Korkino of Chelyabinskaya Oblast; cities of the Donbass of Voroshilovgradskaya and Stalinskaya oblasts; Krivoy Rog, Nikopol', and Dneprodzerzhinsk of Dnepropetrovskaya Oblast; Borislav of Drogobychskaya Oblast; Leninsk-Kuznetskiy, Stalinsk, Prokop'yevsk, Belovo, Gur'yevsk, Kiselevsk, Mariinsk, and Anzhero-Sudzhensk of Kemerovskaya Oblast; Shale Basin (Estonian SSR); Kerch' of Krymskaya Oblast; Chapayevsk of Kuybyshevskaya Oblast; Taganrog of Rostovskaya Oblast; Shakhty of Kamenskaya Oblast; Rubtsovsk of Altayskiy Kray; Molotovsk of Arkhangel'skaya Oblast; Chernikovsk of Bashkirskaya ASSR; Cheremkhovo of Irkutskaya Oblast; Komsomol'sk-na-Amure of Khabarovskiy Kray, as well as the zones of the milk-canning plants, kolkhozes receive 750 grams of fodder concentrates for each liter of milk sold in September-April, and 600 grams of fodder concentrates for each liter sold in May-August; kolkhoz farmers, workers, and employees yielding one liter of milk in September-April receive 375 grams of fodder concentrates, and in May-August, 300 grams.

In areas of the butter and cheese-making industry, established by the Ministry of Meat and Dairy Products Industry, kolkhozes receive 500 grams of fodder concentrates for each liter of milk sold in September-April, and 400 grams in May-August. Kolkhoz farmers, workers, and employees receive 250 grams of fodder concentrates for milk sold in September-April, and 200 grams in May-August.

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For butter sold by kolkhozes, kolkhoz farmers, workers and employees concluding contracts in the process of state purchases, fodder concentrates (oil cake, bran, and all-mash) instead of production goods may be purchased at retail prices according to the following norms (in kilograms):

	<u>Production Yield in September-April</u>	<u>Production Yield in May-August</u>
For one kilogram of butter with a fat content of not less than 95 percent	10	8
Kolkhozes		
Kolkhoz farmers, workers, and employees	5	4
For one kilogram of creamery butter with a fat content of not less than 75 percent	8	6.4
Kolkhozes		
Kolkhoz farmers, workers, and employees	4	3.2
For one kilogram of standard salted creamery butter with a fat content of not less than 81 percent, and unsalted butter with a fat content of not less than 83 percent	9	7.0
Kolkhozes		
Kolkhoz farmers, workers, and employees	4.5	3.5

For one kilogram of "brynza" cheese sold in state procurement, kolkhozes may obtain 2 kilograms of fodder concentrates instead of production and household goods.

When fodder concentrates are sold to kolkhozes, kolkhoz farmers, workers, and employees instead of production and household goods, manufactured goods may not be sold to make up the difference between the cost of the products at which concentrates are sold, and the cost of these concentrates.

Advance Sale to Kolkhozes of Production and Household Goods

The sale to kolkhozes of production and household goods in advance is carried out in an agreement with procurement organizations, in terms of their receipt from a kolkhoz of not less than half the output due them in the contract, and the absence of obligations on the part of a consumer cooperative organization to supply these goods to other kolkhozes, kolkhoz farmers, workers, and employees.

Consumer cooperative organizations have the right to sell motor vehicles to kolkhozes in necessary cases, as well as trailers, timber, lumber, cement, shale, and other production goods 6 months after the sale of products by kolkhozes according to the established norms.

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Periods of Effectiveness of Receipts and Certificates

Consumer cooperatives conduct the sale of production and household goods, consumer goods, and fodder concentrates on the basis of certificates and procurement receipts issued for the right to obtain goods.

The period of effectiveness is not over 60 days. When goods are not available in the trade network of the consumer cooperatives, the period of effectiveness of receipts and certificates is calculated from the day of the appearance of these goods in the trade network.

Procurement certificates and receipts not presented in the established period are canceled; consequently, suppliers lose the right to obtain goods and fodder.

Receipts and certificates are not void when used only in part. A notation is made by the manager of the store or shop of the quantity of goods sold and the document is retained by the supplier. (4)

SOURCES

1. Moscow, Sovetskaya Torgovlya (newspaper), 26 Jul 55
2. Ibid., 2 Aug 55
3. Moscow, Sovetskaya Torgovlya (periodical) No 7, 1955
4. Sovetskaya Torgovlya (newspaper), 23 Aug 55